

**BROKEN ARROW PUBLIC GOLF AUTHORITY MEETING MINUTES**  
**March 27, 2003**

The Broken Arrow Public Gold Authority met at a regular meeting at City Hall on Thursday, March 27, 2003 at 7:30 a.m. Mr. Russell Peterson called the meeting to order.

Present: Mr. Russell Peterson  
Mr. Matt Brown  
Mr. Tony Petrik  
Mr. Mike Rampey  
Mr. Jeffery Scott  
Mr. John Herndon  
Mr. Jack Edwards (new member sworn in this meeting)

Staff Present: Michael Kadlecik, City Manager  
Gary Blackford, Special Business Administrator  
Tom Caldwell, Finance Director  
Justin Cook, Director of Engineering  
Scott Esmond, Parks and Recreation Director  
April Parnell, Assistant City Attorney  
Lynn Blevins, Director of Golf  
Nancy Trevathan, Golf Course Superintendent

3. Jack Edwards, with Arkansas Valley State Bank, was sworn in as a newly appointed member of the Authority. April Parnell, Assistant City Attorney administered the Oath of Office.

4. The Authority considered the minutes of the regular meeting of February 27, 2003.

Motion by Rampey, second by Herndon to approve the minutes of the regular meeting of February 27, 2003.

Aye: Edwards, Herndon, Scott, Rampey, Petrik, Brown, Peterson  
Nay: None  
Motion carried.

5. A homeowner's representative from the Battle Creek area was present but had no issues to discuss.

6. Motion made by Petrik, second by Rampey to approve the report of Nancy Trevathan, Golf Course Superintendent.

Aye: Edwards, Herndon, Scott, Rampey, Petrik, Brown, Peterson  
Nay: None

Motion carried.

7. The question was asked about when LaFortune and Page Belcher Golf Courses may be open for play again, as they are under reconstruction. Lynn Blevins indicated he believed they were schedule to be open around Memorial Day but more realistically he felt it would be mid-summer.

Mr. Blevins reported that many of their recent new members are actually former members who are now coming back from the Broken Arrow Golf and Athletic Club.

Mr. Rampey complemented Mr. Blevins on how the course is looking, on the fact that revenues are up and that he is managing to hold the line on expenses.

Issuing passes each month to the Authority members for them to pass out to others was discussed. A motion was made by Rampey, second by Scott to continue this practice.

Aye: Edwards, Herndon, Scott, Rampey, Petrik, Brown, Peterson

Nay: None

Motion carried.

Mr. Blevins reported that the Cadillac Golf Series has secured Ronald McDonald House as their non-profit sponsor for the tournament planned for Battle Creek Golf Club, May 6-10, 2003. They are seeking corporate sponsors as well. It was reported that the Visitors and Special Events Board had agreed to fund the loss in revenue during the tournament, up to \$20,000.00.

Motion was made by Scott, second by Rampey to approve the report of the Director of Golf.

Aye: Edwards, Herndon, Scott, Rampey, Petrik, Brown, Peterson

Nay: None

Motion carried.

8. City Manager Michael Kadlecik presented the preliminary proposed budget for the golf course. It was expressed the Authority Finance Committee needs to meet and to bring a recommendation back to the Authority. Brown, Petrik and Peterson currently serve as Finance Committee Members. I was indicated that if Mr. Petrik is not re-elected to the City Council, Chairman Peterson would need to appoint another member to the committee. Motion was made by Petrik, second by Rampey to approve Chairman Peterson appointing another member to the Finance Committee should the need arise as a result of the election.

Aye: Edwards, Herndon, Scott, Rampey, Petrik, Brown, Peterson

Nay: None

Motion carried.

9. Motion was made by Brown, second by Rampey to approve the RFP for a GPS Course Management System. A motion was made to amend the motion by Herndon, second by Rampey to correct the typographical errors in the RFP and to include contract options for three (3), four (4) and five (5) years.

Aye: Edwards, Herndon, Scott, Rampey, Petrik, Brown, Peterson

Nay: None

Amendment to the motion carried.

Aye: Edwards, Herndon, Scott, Rampey, Petrik, Brown, Peterson

Nay: None

Motion carried.

10. Mr. Scott provided an update on the improvements to Granger Street at Aspen. He indicated the plans now are to saw cut out the existing center island and to construct a new one along with the widened street, curbs and gutters. This will eliminate the patterned concrete look they had hoped to construct. Mr. Scott stated they will work to avoid any conflict with the Cadillac Tournament in May.

11. It was noted that a timely notice needs to be sent to Pro Link advising them their contract will not be extended beyond the termination date. Legal will send the appropriate notice.

12. Justin Cook reported the sidewalk construction in the Battle Creek area is scheduled and will be completed by July 1. Construction will be coordinated so as not to interfere with the Cadillac Tournament in May. Sidewalks along 51<sup>st</sup> Street are currently under design and will be a much larger project, as there are several difficult areas on which to build.

13. Mr. Brown asked about the purchase of fertilizer. Nancy Traevathan stated she is just now beginning to purchase and use fertilizer. She purchased one ton this week and will be purchasing more in the immediate future. A question was asked about the water bills and are they current. Members of the Finance Department indicated they are current with the exception of the water used during the initial grow in period of the golf course, which have been forgiven. Motion was made by Brown to approve the financials for February 2003, second by Petrik.

14. Motion was made to approve the Claims List for February 2003 by Herndon, second by Petrik.

Aye: Edwards, Herndon, Scott, Rampey, Petrik, Brown, Peterson

Nay: None

Motion carried.

15. Other business – Mr. Scott asked if a possibility exists for certain items to be included in the next bond issue that will benefit Battle Creek Golf Club. City Manager

Michael Kadlecik stated there is a need to delay the next bond issue until next spring, as too many conflicts exist to do it this fall. Because of that we will start this fall with a series of meetings involving the community to determine the issues to be addressed in the next bond election. It was discussed that it is not too early to gather information such as simple sketches and costs estimates for items in the election that might benefit the golf course. Items such as an addition to the clubhouse that would include a facility for hosting larger meetings, golf tournaments, etc. with the ability to prepare full meals. The new facility should include locker rooms, etc. to accommodate the golfer. An additional bathroom on the course was another idea mentioned. Chairman Peterson appointed a Capitol Needs Committee to work on these issues. The committee will include Scott, Edwards and Peterson.

April Parnell, Assistant City Attorney, reported on a recent seminar she attended. Following are her comments regarding the seminar:

On March 20-21, 2003, I attended Continuing Legal Education Conference in Orlando Florida regarding Golf Resort Development to obtain information and learn about the some of the Legal Issues that often and may arise out of owning, maintaining and managing a golf course within the community. This Office Memo shall serve as a narrative and brief synopsis of the information I obtained.

After sitting through two days of speakers who lectured on the various issues regarding owning golf course, which comprised of: The Life Cycle of a Golf Course Community; Trends in Land Use Laws; Ethical considerations for Lawyers regarding advising their client about the golf course; Golf and Related Use Evaluations; Marketing and Sales Programs; Negotiating Management Contracts; Financial Aspects of a Golf Course; Water Issues and Tax Considerations; and various other topics, I was pleasantly surprised at how innovative and progressive the BAPGA is and has been with owning, running, maintaining and managing Battle Creek Golf Course. I discovered that our Public Course has implemented various programs regarding public interest and marketing that make it a forerunner in those areas. There were many attorneys who attended the Conference who represented Private Golf Courses and they seemed to be completely unaware of some newer and more innovative Marketing techniques and customer service programs that are just now becoming popular, which Battle Creek Golf Course implemented 2-3 years ago.

Just briefly, I learned that 70% of all course in the US are over-priced and that the worst thing the golf course can do, is lower the price of the rounds. Other imaginative and creative price structures should be implemented, such as: Discount Coupons; Special Offers; Membership Drives with a "temporary" reduction in price run with a "special"; Offer a discounted round to new customers via the internet e-mail address the customer provided to get on a mailing list; etc.

We were told that no golf course should expect a profit in their restaurants. That if you expect a profit you are fooling yourself and that should you actually make a profit, then you are very fortunate and should count your blessings.

We were told that we should never believe the Market Surveys that are done. The “expected number of rounds” are **always** inflated. That every course should expect to lose at least 2-3 million dollars of for the first 2-3 years of operation and that in today’s market a stand-alone golf course will not survive. It has to offer more and the primary offer needs to be real estate.

The golf course manager should know what its customer wants. There will always be about 10% of the customer base that will complain about any and everything. It’s the other 90% that you need to be concerned about. The golf course needs to cater to the 90% customer base, not the 10% complainer base.

There will always be excuses for bad operations/revenues, i.e. September 11, 2001, too much rain, too hot that summer, etc. and that the golf course owner needs to stay at the basics of running a course, instead of having to get back to the basics when things have gotten bad.

Daily fee course usually never track their new and return customers. This should be very important in order to keep and maintain its old customers and create a relationship with new customers.

Golf Courses should look into developing teen centers, swimming pools and other amenities to cater to teens because they are the next generation of golfers and if the golf course can get their loyalties early on they will more than likely remain loyal. A good Jr. Golf Program should be implemented and offered also.

The above listed items are just a brief overview. I find it interesting that a lot of the suggestions that were made, Battle Creek has already implemented or is in the process of implementing and the BAPGA has at least on more than one occasion discussed many of the other suggestions for the successful operation of a community golf course. Additionally, Battle Creek did run at a loss the first 2-3 years of operation, but it wasn’t neat 2-3 million dollars in losses, which is a positive reflection of the dedication of all those who are and have worked towards the successful operation of a Public Golf Course within the City of Broken Arrow.

Motion to adjourn by Rampey, second by Petrik.

Aye: Edwards, Herndon, Scott, Rampey, Petrik, Peterson

Nay: None

Motion carried, meeting adjourned 8:33 a.m.